



Credit Union Department

* * NEWSLETTER * *

No. 10-03

October 31, 2003

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Results of Credit Union Commission Meeting

The Credit Union Commission held a meeting on Thursday, October 23, 2003 concurrently with the Finance Commission of Texas to address the Home Equity Lending Interpretation proposals. At the meeting the Commission:

- ❑ Approved for Publication and Comment the Proposed New [7 TAC Chapter 153](#) Concerning Home Equity Lending Interpretations;
- ❑ Approved for Publication and Comment the Proposed New [7 TAC Chapter 151](#) Concerning Home Equity Lending Interpretation Procedures; and
- ❑ Established December 18, 2003 as its next meeting date.

Notice of Legislative Advisory Committee Meeting

The Legislative Advisory Committee will meet on Friday, November 21, 2003, at 9:00 a.m. in Austin at the offices of the Credit Union Department. ([Click here for a copy of the agenda](#)).

Corporate Governance

The board of directors plays a critical role in the successful operation and the health of a credit union. They are also accountable to the members, regulators, and the communities served by the credit union. The directors have overall responsibility for the credit union's direction, prosperity, safety and soundness, and compliance with laws and rules. To meet these responsibilities, they must establish policies, retain senior management, and evaluate the performance of each element of the credit union.

As they work to achieve their basic mandate, credit union boards must fulfill three key requirements: be informed, fully participate in board actions, and avoid conflicts of interests. An effective board contributes by setting tone and direction. It oversees and supports management efforts, testing and probing management's recommendations before approving them. It evaluates the financial, competitive, and other environmental factors that may require adjustments to the credit union's direction. It also works to ensure that adequate internal control systems are in place to identify and address problems before they become major concerns.

The Department encourages all credit unions to periodically review their policies and procedures relating to corporate governance and auditing matters. This review should ensure that such policies and procedures are consistent with applicable law, rules, and supervisory guidance and remain appropriate in light of the credit union's size, operations, and resources.

Newsletter Notice

As required by statute, each state agency must obtain an annual confirmation from individuals receiving monthly publications at no charge. Specifically, the law requires that a notice be placed in three consecutive issues of the publication, and that anyone desiring to continue to receive the publication must so indicate in writing. Please submit the enclosed form to our office if you desire to continue to receive the Department's newsletter each month. Faxes are welcomed ([Click here for the form](#)).

Director Applications

As credit unions begin preparation for annual meetings and elections, the officials are reminded that persons who are nominated for, or are seeking re-election to office must complete a written Director Application to Serve. Rule 91.501(b) provides minimum qualification requirements that must be met. The application of elected directors must be incorporated into the minutes of the first board meeting following the election and maintained at the credit union office for review by the examiners. Incumbent board members running for re-election must complete an application as well. If a person nominated from the floor or by petition is elected to the board, the application must be completed within 30 days. Any person appointed to the board to fill an unexpired term of another board member must also complete an application within 30 days of the appointment. For your convenience, the form is available on the TCUD website (<http://www.tcup.state.tx.us/applications/index.html>).

Applications Approved

Applications approved since September 30, 2003 include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
Field of Membership Change(s) Approved:	
Pegasus Credit Union (Dallas) - Modified Persons who work or reside within Dallas and Denton County, Texas	See Newsletter No. 08-03
Neighborhood Credit Union (Dallas) - Modified Persons who work or reside within Dallas County, Texas	See Newsletter No. 08-03
Houston Energy Credit Union (Houston)	See Newsletter No. 09-03
Lone Star Credit Union (Dallas)	See Newsletter No. 09-03
1st University Credit Union (Waco)	See Newsletter No. 09-03
Texas Employees Credit Union (Dallas)	See Newsletter No. 09-03

Applications Received

The following applications were received and published in the October 31, 2003 issue of the *Texas Register*.

Field of Membership Expansion(s):

EDS Credit Union (Plano) - To permit persons who live, work or are located in Collin, Denton, and Dallas County, Texas, to be eligible for membership in the credit union.

MemberSource Credit Union (Houston) - To permit employees of A2D Technologies who work in or are paid or supervised from Houston, Texas, to be eligible for membership in the credit union.

Dallas County Employees Credit Union (Dallas) - To permit persons who live and/or work in and business entities in Dallas County, Texas, to be eligible for membership in the credit union.

Galleria Credit Union (Dallas) - To permit persons who live, work, or attend school within a 10-mile radius of the Galleria Credit Union's office located at 13155 Noel Road, Dallas, Texas 75240, to be eligible for membership in the credit union.

Texans Credit Union (Richardson) (#1) - To permit individuals who live, work or attend school within a 10-mile radius of the Texans Credit Union branch located at 12201 Southwest Freeway, Stafford, Texas, to be eligible for membership in the credit union.

Texans Credit Union (Richardson) (#2) - To permit persons who reside, work or attend school in the following Texas Counties: Dallas, Ellis, Johnson, Parker, Tarrant, Denton and Grayson, to be eligible for membership in the credit union.

Neighborhood Credit Union (Dallas) - To permit persons who work, reside or attend school in Rockwall County, Texas, to be eligible for membership in the credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Credit unions that wish to comment on any application must also complete a Notice of Protest form. The form may be obtained by contacting the Department at (512) 837 -9236 or downloading the form at <http://www.t cud.state.tx.us/applications.html>. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

Merger(s) or Consolidation(s) Changes:

An application was received from **Catholic Credit Union** (Del Rio) seeking approval to merge with **St. Joseph's Credit Union** (San Antonio) with the latter being the surviving credit union.

An application was received from **Dallas Treasury Credit Union** (Dallas) seeking approval to merge with **Trabusa Federal Credit Union** (Mesquite). Dallas Treasury Credit Union will be the surviving credit union.

Applications Received (Continued):

An application was received from **GTX Credit Union** (Houston) seeking approval to merge with **JSC Federal Credit Union** (Houston) with the latter being the surviving credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

Articles of Incorporation Change(s):

Dallas County Employees Credit Union (Dallas) -- The credit union is proposing to change its name to Dallas County Credit Union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

Publishing Notice of Applications in the Texas Register

(www.sos.state.tx.us)

In order to meet the submission deadlines for the applicable issues of the *Texas Register*, it is necessary for the Department to establish the following schedule. Because of the *Texas Register* printing schedules, completed applications received after the deadline for the month cannot be published until the following month.

For an Application To be Published	Deadline for Receipt of An Application	Comment Period Will Conclude on
November 2003	Friday, November 14	December 30
December 2003	Friday, December 12	January 30
January 2004	Friday, January 16	March 1

Holiday Schedule for TCUD

The Department's office will be closed on **November 11, 2003**, in observance of Veteran's Day and **November 27-28, 2003** in observance of Thanksgiving.



Happy Thanksgiving

